GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

STARRED QUESTION NO:87
ANSWERED ON:22.11.2016
New Fertilizer Policy
Gaikwad Prof. Ravindra Vishwanath

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS & FERTILIZERS be pleased to state:

(a) whether incidents of black-marketing of fertilizers and manure are taking place on a large scale in the country;

(b) if so, the details of such cases reported during the last three years and the current year and the action taken by the Government in this regard;

(c) whether the prices of fertilizers are proposed to be reduced and if so, the details thereof and the reasons therefor; and;

(d) whether the Government has formulated any new fertilizer policy in the interest of the farmers in the country and if so, the details thereof?

Answer

MINISTER FOR CHEMICALS & FERTILIZERS AND PARLIAMENTARY AFFAIRS

(SHRI ANANTH KUMAR)

*(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. 87* TO BE ANSWERED ON 22.11.2016 REGARDING NEW FERTILIZER POLICY.
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(a) & (b): No, Madam. There is no report of black-marketing of fertilizers and manure from any part of the country during the current year. However, in the year 2013-14, 2014-15 and 2015-16, number of black-marketing cases reported were 118, 348 and 8 respectively.It is important to mention here that Government has declared fertilizer as an essential commodity under the Essential Commodities Act, 1955 and notified Fertilizer Control Order, 1985 and Fertilizer (Movement Control) Order, 1973. The State Governments have been empowered to take appropriate action to curb black-marketing of fertilizers and initiate action against the persons who violate these orders. Department of Fertilizers has, from time to time, written to the Chief Secretaries of various States to activate the enforcement agencies under their jurisdiction to take appropriate action to curb black-marketing.

(c): With the fall in cost of input / final product of P&K fertilizers, the Department of Fertilizers, Government of India intervened and held meetings with fertilizers companies and directed them to pass on the benefit to the farmers. The fertilizer companies in the month of June, 2016, for the first time in last fifteen years reduced the Maximum Retail Price (MRP) on 50 Kg bags of MOP, DAP & NPK by Rs. 250/-, Rs. 125/- and Rs. 50/- respectively. Thus, a total benefit of about Rs. 4500 crores was passed to the farmers by this measure of Government of India.

Government of India is implementing Nutrient Based Subsidy Policy for Phosphatic and Potassic (P&K) fertilizers w.e.f. 1.4.2010. Under the policy, a fixed amount of subsidy, decided on annual basis and from 2016-17 onwards reviewed after six months, is provided on subsidised P&K fertilizers depending on their nutrient content. The NBS rates for the year 2016-17 have already been announced. Under this policy, MRP is fixed by fertilizer companies as per market dynamics at reasonable level.

(d): The Government has notified New Urea Policy (NUP) -2015 on 25th May, 2015 for existing 25 gas based urea units with the objectives of maximizing indigenous urea production; promoting energy efficiency in urea production; and rationalizing subsidy burden on the Government.

The policy has led to additional production of about 20LMT from the existing plants. The total production of urea during the year 2015-16 was 245 LMT approximately i.e. the highest ever urea production in the country.

On 10.02.2016, the Government has notified a Policy on Promotion of City Compost. Compost from City garbage would not only provide carbon and primary/secondary nutrients to soil but also help in keeping the City clean and support SWACHH BHARAT MISSION of the Government of India. Under the Policy, Market Development Assistance of Rs. 1500/MT is provided to Marketer on sale of the City Compost. Market Development Assistance would lower MRP of City Compost for farmers. Use of City Compost in

conjunction with chemical Fertilizers would result in higher yield.

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